

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

HB 422 - SB 351

February 1, 2021

SUMMARY OF BILL: Requires the State Board of Education (SBE) to promulgate rules that will authorize a public school system to meet the current minimum classroom instructional day requirement by meeting a minimum number of annual instructional hours.

ESTIMATED FISCAL IMPACT:

Decrease Local Expenditures – Exceeds \$100,000/Permissive

Other Fiscal Impact - If transportation costs decrease statewide as a result of LEAs choosing to use the new minimum hour requirement, the Basic Education Program (BEP) funding formula will generate less funding over time, thus decreasing state and local BEP expenditures for transportation. Any decrease in state and local BEP transportation component funding will be phased in over a three-year period due to the BEP transportation component being based on a three-year average.

Assumptions:

- LEAs may choose to lengthen their school day in order to reduce the total number of days in the classroom and to comply with the SBE rule. As a result, any impact to LEAs is considered an impact resulting from a permissive action.
- LEAs that choose to lengthen their school day may experience a permissive and recurring decrease in local expenditures for utilities, transportation, bus maintenance, and other expenditures directly related to having school facilities open on a daily basis.
- Any permissive recurring decrease in local expenditures is dependent on multiple unknown factors, including but not limited to, the number of LEAs that will choose to have their students attend school for the minimum number of hours in a school term rather than a minimum number of instructional days; the size of the LEA that elects to use the new option; and the extent of expenditures that any such LEA could reduce as a result of any schedule change; however, the permissive recurring decrease in local expenditures is reasonably estimated to exceed \$100,000 statewide.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Bojan Savic". The signature is written in a cursive, flowing style.

Bojan Savic, Interim Executive Director

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